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NEWS RELEASE

PHILADELPHIA - Acting United States Attorney Laurie Magid, on behalf of the Office of Inspector General of the Department of Health and Human Services (OIG-HHS) announced a settlement with North East Management Consulting Associates, Inc., that includes the payment of \$86,967 and mandatory employee training on proper billing practices.

This settlement resolves claims of the United States under the False Claims Act, other federal statutes and common law regarding the “up coding” of anesthesia services between December 2003 and February 2005. The United States alleges that North East Management billed Medicare for anesthesia services rendered by MR Pain Management using Current Procedural Terminology (“CPT”) codes in the 600s series when the less expensive and correct CPT code was “01992.” The 600s series codes are more general CPT codes and should not have been used where a more specific CPT code for the service existed. For example, the 600 CPT code covers “anesthesia for procedures on [the] cervical spine and cord; not otherwise specified.” The 01992 CPT code covers “anesthesia for diagnostic or therapeutic nerve blocks and injections (when block or injection is performed by the provider) in the prone position.” North East Management’s submission of bills to HGS Administrators (“HGSA”), a Centers for Medicare and Medicaid Services (“CMS”) contracted carrier, with the 600 series CPT codes constitutes a false claim, as alleged by the United States.

This matter was prosecuted by Assistant United States Attorneys Michael Blume, Nicole R. Mark, and Susan Bricklin.

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